



PROGRAM UPDATE

Office of Worker and Community Transition

United States Department of Energy

April - June 1999

NATIONAL STAKEHOLDER WORKSHOP HELD IN MAY 1999

The Department of Energy's (DOE) Office of Worker and Community Transition held its seventh National Stakeholder's Workshop on May 27-28, 1999 at the Chicago Marriott Downtown in Chicago, Illinois. Approximately 225 participants attended representing the Department of Energy, DOE contractors, labor and community representatives, and local elected officials.

The meeting addressed the progress made on the issues and challenges identified at the last stakeholder's meeting in Alexandria, Virginia on June 17-18, 1998. We also covered the full range of the Department's work force issues and sought answers to the challenges of implementing the Department's post Cold-War mission, work force planning and restructuring, early site closure, reuse and conversion, worker safety during cleanup, and the labor policy on privatization. The format of the meeting focused on discussions of best practices and lessons learned in the process of obtaining an effective and efficient work force. For more information on the Office's activities, access our web site at www.wct.doe.gov.

WORK FORCE RESTRUCTURING ACTIONS

EARLY CLOSURE CONFERENCE HELD IN COLORADO

The Office of Worker and Community Transition hosted meetings in Denver, CO on May 10, 1999, with human resources representatives from managing contractors at early closure sites to discuss innovative approaches for work force management in an early closure environment. Office representatives will participate in subsequent meetings to address a full range of work force management issues with contractor representatives.

WORK FORCE REDUCTIONS ANNOUNCED AT BROOKHAVEN NATIONAL LABORATORY IN NEW YORK

On May 31, 1999, the Manager of the Chicago Operations Office advised the Office of Worker and Community Transition that due to completion at the end of June 1999 of the Relativistic Heavy Ion Collider Project, there will be a reduction of approximately 50



VISIT US AT OUR WEB ADDRESS AT:
[HTTP://WWW.WCT.DOE.GOV](http://www.wct.doe.gov)



positions, 30 of which involve workers on term appointments. As a result only 20 Laboratory employees will be impacted, none of them in the bargaining unit. The Laboratory expects to achieve these reductions through a voluntary separation program permitted under current contract provisions.

WORK FORCE TRANSITION ISSUES AT PORTSMOUTH AND PADUCAH

United States Enrichment Corporation (USEC) provided a second opportunity for workers to participate in an incentivized voluntary separation program during the spring of 1999. These separations are part of an agreement between USEC and the Treasury Department to limit work force reductions at the Portsmouth, Ohio and Paducah, Kentucky Gaseous Diffusion Plants to 500 positions through June 30, 1999. The incentivized voluntary separation program was established through a separate agreement between USEC and the Department of Energy. To date, approximately 400 workers have agreed to participate in the program. It is anticipated that remaining separations under the agreement with the Treasury Department will occur this fall, and that no involuntary separations will be required. The Office of Worker and Community Transition is facilitating efforts between the Department, USEC, Bechtel Jacobs, the environmental management contractor at the sites, and worker unions to mitigate worker transition issues at these facilities, including restructuring that may occur after expiration of the agreement between USEC and the Treasury Department.

ARGONNE AND BROOKHAVEN NATIONAL LABORATORIES RE-DESIGNATED AS DEFENSE NUCLEAR FACILITIES UNDER SECTION 3161

On June 17, 1999, Secretary of Energy Bill Richardson re-designated Argonne and Brookhaven National Laboratories as defense nuclear facilities for application of section 3161 of the Fiscal Year 1993 National Defense Authorization Act. These facilities had been deleted from the list of such facilities in July 1997. Subsequently, concerns were raised that the change in designation had not included appropriate consultation with stakeholders. The Secretary agreed with these concerns and restored the designation.

Designation as a defense nuclear facility under section 3161 assures that work force changes at the laboratories will be accomplished to the extent practicable in ways that mitigate the impacts on workers and communities. It specifically provides for stakeholder consultation in the process and provides preference-in-hiring for qualified displaced workers.

COMMUNITY TRANSITION ACTIVITIES

REVITALIZATION PILOT PROJECT AT HANFORD SITE GETS \$500,000 BOOST FROM ENERGY DEPARTMENT

On April 6, 1999, Secretary of Energy Bill Richardson announced an innovative revitalization pilot project to commercialize a former cold-war facility at the U.S. Department of Energy's



(DOE) Hanford Site in southeastern Washington. The Department will provide \$500,000 to the Tri-Cities Industrial Development Council (TRIDEC) and DOE's Richland Operations Office to help fund the project's start-up.

The pilot project provides a unique approach to cleaning up the contaminated facility, spurs regional economic development and makes additional cleanup funding available by reducing costs to monitor and maintain unused facilities.

"This is an investment, both in the area's economy and in the cleanup of the Hanford Site," said Secretary Richardson. "The revitalization project is a new tool for reducing cleanup costs and transforming the idle facility into a new source of jobs and economic development." Hanford's 25,000 square-foot 314 Building will be the pilot facility for the project. That building is located in Hanford Site's 300 Area, which nearly borders the City of Richland on the north and is comprised of some 86 buildings. The 314 Building originally contained equipment to make fuel rods for Hanford's reactors. Now shutdown, portions of it are contaminated with uranium, and possibly polychlorinated biphenyls and asbestos.

Under the pilot project, the facility will be leased to TRIDEC, the local community reuse organization. TRIDEC will solicit a private company to decontaminate and prepare the facility for commercial use through a bartering arrangement where facilities and surplus equipment will be exchanged for cleanup services.

"This new pilot program allows us to apply at Hanford the lessons we learned from our Oak Ridge reindustrialization strategy," Secretary Richardson continued.

Hanford, like the Department's Oak Ridge, Tennessee site, is cleaning up the legacy of Cold War waste and helping to diversify the area's economy. Using a unique arrangement, Oak Ridge partnered with private companies to assist in the cleanup of the Site's K-25 plant, now known as the East Tennessee Technology Park. In exchange, the companies were provided the decontaminated space under a low-cost lease agreement.

The Department estimates that the project will take up to nine months to complete. If successful, the Department of Energy will identify additional unused facilities in the 300 Area that can be commercialized using the same process.

DOE SIGNS AGREEMENT FOR OAK RIDGE TECHNOLOGY, EQUIPMENT TO BE USED IN PROSTATE CANCER TREATMENT

Under a signed agreement on April 6, 1999, technology and equipment born out of the U.S. Department of Energy's (DOE) Oak Ridge facilities will soon be used to aid in the treatment of prostate cancer.



The agreement between DOE and Atlanta-based Theragenics Corporation allows the company access to DOE's Cold War and energy research assets for the purpose of further developing Theragenics' TheraSeed (R) product.

TheraSeed is used for the treatment of localized prostate cancer. A key raw material in the rice-sized seeds is Palladium-103 (Pd103), which is the radioisotope supplying TheraSeed's therapeutic radiation. With the use of DOE's unique equipment and technology, Theragenics hopes to enhance the uses of Pd103, strengthening its current use in prostate cancer treatment and expanding its use to treat all solid, localized cancers.

"This agreement will increase access to an important new cancer therapy," said DOE Secretary Bill Richardson. "DOE has long been known as a protector of our country's national security. In addition, since 1946 we have supported the development and application of medical isotopes for diagnosis and therapy, and with this partnership, we hope to expand our role in our nation's fight against cancer."

The agreement is part of DOE's ongoing "reindustrialization" effort. Since mid-1996, DOE, with the assistance of the privately led Community Reuse Organization of East Tennessee (CROET), has worked to attract private businesses and industries to the East Tennessee Technology Park (ETTP). What makes this business park unique is its history. The site, known in the past as simply K-25, was constructed a part of the Manhattan Project, the government's secret plan to develop the atomic bomb that ended World War II. Now this 1,500-acre technology park is thriving with 22 private companies located there, providing more than 800 private-sector jobs.

The agreement with Theragenics allows DOE to take its reindustrialization project to the next level. Theragenics will be the first company to locate on a parcel of government-owned land outside the ETTP enclosure, known as ED-1. With the help of the CROET, DOE is working to create a free-standing industrial park there.

"DOE's primary objective with the reindustrialization project is to accelerate cleanup efforts at the former gaseous diffusion plant, K-25," said James C. Hall, DOE's Oak Ridge Operations Manager. "We're doing this by leasing out valuable space and equipment at ETTP and now at ED-1, and using those profits to fund cleanup."

To date, the project has saved taxpayers more than \$824 million in cleanup costs. Another integral part of DOE's Oak Ridge program is the creation of new private-sector jobs. "For the past 50 years, many of the people in this region have dedicated their lives to helping our country through their hard work in the Oak Ridge plants," said Hall. "Now that the direction and needs of our nation have changed, these jobs are decreasing. And instead of simply walking away from the people who stood behind our country for half a century, we're working hard to return new jobs to the region."



Theragenics plans to create 240 new jobs within the next three years and spend an estimated \$25 million in building its one-of-a-kind plant, facilities, and equipment.

“We’re going to be putting people to work. I need the talent and expertise found in Oak Ridge to make this a success,” said M. Christine Jacobs, the company’s chairman, president, and chief executive officer. “This is not just an R&D and manufacturing venture, it’s a homerun. And every time we build an extension, it’s extremely sophisticated. There’s no other facility like the one we built in Georgia and there will be no other facility like the one we’re building in Oak Ridge.”

“This is just the beginning of what we can do,” said Jacobs. “With the unique capabilities found in Oak Ridge, Theragenics will now be able to explore the treatment of a broad array of solid, localized tumors in the head, neck, eyes, brain, lungs, and other sites; and as our business grows, so will our possibilities in Oak Ridge.”

POLICY AND PLANNING GUIDANCE FOR COMMUNITY TRANSITION ACTIVITIES RELEASED FOR STAKEHOLDER COMMENT

On February 7, 1997, the Office of Worker and Community Transition released the Policy and Planning Guidance for Community Transition Activities. Since that time, the community transition program has evolved further. On June 16, 1999, a draft guidance document reflecting these changes was distributed for stakeholder comment and will ultimately replace the current guidance. This draft document was first presented for comment during the 1999 National Stakeholder’s Workshop in Chicago. To obtain a copy of the draft guidance, access our web site at www.wct.doe.gov.

SHELTON INDUSTRIES LOCATES TO NEW BOSTON INDUSTRIAL PARK IN OHIO

On June 21, 1999, the Southern Ohio Port Authority hosted a public ceremony welcoming Cleveland, Ohio based Shelton Industries to the region. Shelton Industries, a metal fabrication firm, is locating a manufacturing facility in the New Boston Industrial Park. The move will create 150 new jobs in southern Ohio.

Shelton Industries will locate their operations in the Grace Street Building. The structure formerly served as Detroit Empire Steel Company’s shipping building. The structure is being completely remodeled with more than \$1 million in funding from the Department of Energy’s Office of Worker and Community Transition through their locally designated Community Reuse Organization, the Southern Ohio Diversification Initiative.

The site has been under development since 1996 when residents chose redevelopment of the former steel mill site as a top local priority. Funding for redevelopment and environmental restoration activities have come from private sources: Departments of Energy, Agriculture and



Commerce, Appalachian Regional Commission, Local Government, and the State of Ohio. Funding for the building renovation has come from the Department of Energy and the State of Ohio's Capital Budget.

DEPARTMENT OF ENERGY AWARDS \$6 MILLION GRANT TO PADUCAH AREA COMMUNITY REUSE ORGANIZATION

On June 23, 1999, Secretary of Energy Bill Richardson announced that the Department of Energy (DOE) has awarded a \$6 million grant to the Paducah Area Community Reuse Organization (PACRO) to fund projects to help offset job losses at the Paducah Gaseous Diffusion Energy Plant in Kentucky.

"These grants will help the Paducah community diversify its economy and help offset the economic impacts of reduced uranium operations," said Secretary Richardson. "I want to thank Senators McConnell and Bunning as well as Congressman Whitfield for their hard work on behalf of their community, and for their strong support of the Department's Worker and Community Transition Program which makes this partnership possible."

Among the community needs PACRO has identified are:

- support for entrepreneurs' efforts to create new jobs;
- training displaced workers for new careers;
- developing new industrial parks and facilities; and
- reuse of the plant's facilities and resources, such as buildings and land.

PACRO was launched in 1997 to develop ways to create jobs to replace those being cut at the enrichment plant and to consider the economic effects should the production of enriched uranium at the site ended. Congress provided DOE money to fund efforts similar to PACRO as a way to provide for workers whose jobs were eliminated as a result of defense downsizing following the end of the Cold War.

DOE awarded PACRO \$400,000 in planning funds in early 1998, and early this year the organization sought additional monies to fund the projects pinpointed by its planning efforts. Specific projects to be funded by the new grant are an Entrepreneur Clearing House and Revolving Loan Fund, Business/Industry Retention and Expansion of Marketing/Technical Assistance, Skills Services Assessment, Industrial Park Development, Marketing, Recruitment and Facility Reuse Programs.

"We're going to focus on developing ways to reindustrialize the site in the future using the facilities, resources and workforce here," said Jimmie Hodges, site manager for DOE in Paducah and a member of PACRO's executive committee. "But this grant goes beyond that, it allows PACRO to look at total regional economic development."

PACRO members come from the five-county area that is most affected by job cuts at the enrichment plant – McCracken, Ballard, Graves, Marshall and Massac. Kristin Reese, CEO of the



Greater Paducah Economic Development Council, chairs the 60 member organization with administrative support from the Paducah Area Development District.

LABOR RELATIONS

CONTRACT NEGOTIATIONS

The following is a list of collective bargaining agreements that have been recently negotiated or are scheduled to be negotiated in the second quarter of calendar year 1999:

<u>Site</u>	<u>Union</u>	<u>Type of Employees</u>
Rocky Flats	UPGWA/Wackenhut	Guards
Sandia	MTC/Lockheed Martin	Metal Trades
Sandia	OPEIU/Lockheed Martin	Operating Engineers
Chicago	AFSCME/Ames	Administrative
Chicago	SEIU/Argonne	Administrative
Nevada	IGAN/Wackenhut	Guards



REQUEST FOR PUBLIC DOCUMENT(S)

Name: _____

Organization: _____

Position: _____

Street address: _____

City and state: _____

Zip code: _____

Phone: _____

Fax: _____

E-mail/Internet address: _____

DOCUMENT REQUESTED

1. _____
2. _____
3. _____
4. _____
5. _____

FAX OR MAIL TO:

Ms. Laurel Smith
Office of Worker and Community Transition, WT-1
U. S. Department of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585
(202) 586-1540 (FAX)

**Ms. Laurel Smith
Office of Worker and community Transition, WT-1
U. S. Department of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585
(202) 586-1540 (FAX)**